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Dianne B. Kuhnell. Senior Paralegal

VIA OVERNIGHT DELIVERY

October 9, 2009

RECEIVED

OCT 12 2009

PUBLIC SERVICE COMMISSION

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

Re: Application of Duke Energy Kentucky, Inc. for Approval of *Duke Energy's GoGreen Kentucky* Pilot Program Case No. 2009-00408

Dear Mr. Derouen:

Enclosed please find being sent by overnight mail an original and twelve copies of the Attachment JDL-1 which was inadvertently omitted from the original filing of the Application and Direct Testimony sent on October 8, 2009. Please note that the Attachment JDL-1 (proposed tariff – Rider GP) was included in the original filing as Attachment A.

We apologize for any inconvenience.

Please date-stamp the extra two copies of this letter and the Attachment JDL-1 and return to me in the enclosed envelope.

Sincerely,
William Kulnell

Dianne B. Kuhnell Senior Paralegal

cc: Dennis Howard II

294049 www.duke-energy.com

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KY.P.S.C. Electric No. 2 First Revised Sheet No. 88 Cancels and Supersedes Original Sheet No. 88 Page 1 of 2

Duke Energy Kentucky, Inc. 525 5th Street, Suite 228 Covington, Kentucky 41011

RIDER GP

DUKE ENERGY'S GOGREEN KENTUCKY GREEN POWER / CARBON OFFSET RIDER

APPLICABILITY

Applicable to any residential customer (Rate RS) who wishes to purchase "Green Power" and/or "Carbon Offsets" from Duke Energy's *GoGreen* Kentucky program. The term of this pilot program is three (3) years.

DEFINITION OF GREEN POWER AND CARBON OFFSETS

Green Power includes energy generated from renewable and/or environmentally friendly sources, including:

Wind, Solar Photovoltaic, Biomass Co-firing of Agricultural Crops and All energy crops, Hydro – as certified by the Low Impact Hydro Institute, Incremental Improvements in Large Scale Hydro, Coal Mine Methane, Landfill Gas, Biogas Digesters, Biomass Co-firing of All Woody Waste including mill residue, but excluding painted or treated lumber. Green Power includes the purchase of Renewable Energy Certificates.

Carbon Offsets are financial instruments representing a reduction in greenhouse gas emissions. One Carbon Credit represents the reduction of one metric ton of carbon dioxide (CO₂) or its equivalent in other greenhouse gases. Each Carbon Offset available under this tariff represents a 500 pound (lbs) block reduction of CO₂ (approximately ¼ of a Carbon Credit).

NET MONTHLY BILL

Customers who participate under this rider will be billed for electric service under all applicable tariffs including all applicable riders.

Green Power purchased under this rider, will be billed at the applicable Green Power rate times the number of 100 kWh blocks the customer has agreed to purchase per month.

The Green Power rate shall be \$2.00 per 100 kWh block with a minimum monthly purchase of two 100 kWh blocks.

Carbon Offsets purchased under this rider, will be billed at the applicable Carbon Offset rate times the number of Carbon Offsets the customer has agreed to purchase per month.

The Carbon Offset rate shall be \$4.00 per 500 lbs offset block.

| Issued | by | authority | of | the | Kentucky | Public | Service | Commission | in | accordance | with | dated |
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Issued: Effective:

Case No. 2009-XXXX Attachment JDL-1 Page 2 of 2

Issued by Julie Janson, President

Duke Energy Kentucky, Inc. 525 5th Street, Suite 228 Covington, Kentucky 41011

KY.P.S.C. Electric No. 2 First Revised Sheet No. 88 Cancels and Supersedes Original Sheet No. 88 Page 2 of 2

TERMS AND CONDITIONS

- 1. The customer shall enter into a service agreement with Company that shall specify the number of kWh blocks and/or Carbon Offsets to be purchased monthly and the corresponding rates(s) per unit. The Customer shall give Company thirty (30) days notice prior to cancellation of participation in this rider.
- 2. Funds collected from this tariff will be used to purchase Renewable Energy Certificates (RECs) and/or carbon credits from renewable and environmentally friendly sources as described in the DEFINITION OF GREEN POWER AND CARBON OFFSETS section and for customer education, marketing, and costs of the GoGreen Power Program.
- 3. Renewable Energy Certificate (REC) shall mean tradable units that represent the commodity formed by unbundling the environmental attributes of a unit of renewable or environmentally friendly energy from the underlying electricity. One REC would be equivalent to the environmental attributes of one MWH of electricity from a renewable or environmentally friendly generation source.
- 4. Carbon Credit shall mean tradable units that represent the reduction of the release of a greenhouse gas in the equivalent of one metric ton of CO_2 . A Carbon Offset represents approximately $\frac{1}{2}$ of a Carbon Credit.
- 5. Company reserves the right to terminate the Rider or revise the pricing or minimum purchase amount of the Rider after giving 60 days notice to the Kentucky Public Service Commission.
- 6. Company may obtain carbon credits from purchased power, company owned generation, or purchased with funds collected from this rider.

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to the Company's Service Regulations, as filed with the Kentucky Public Service Commission.

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Issued by Julie Janson, President